MYKALAI KONTILAI
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Plaintiff In Pro Se

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

MYKALAI KONTILAI, Plaintiff, v. AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO Defendants,	Case No. ______________

VERIFIED COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

COMES NOW, Plaintiff MYKALAI KONTILAI (hereinafter, "Plaintiff" or "Kontilai"), in proper person, states as follows for his complaint against defendants AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO as follows:

1. This case is about sophisticated businessmen who knowingly made a risky investment, hoping to reap the larger reward that often results from deals involving larger risks. In making this risky investment, these businessmen had been warned that the investment was risky and expressly disclaimed reliance upon any source other than their own due diligence and own

advisors. When it turned out that their investment failed, these sophisticated businessmen would not take personal responsibility for their actions and accept the fact that they chose to enter into this deal based upon their own assessment that the risk was worth taking. Instead, they decided to shift the responsibility to someone else – the Plaintiff, the person who sold them the investment and who had warned them of the risk.

2. Even worse and knowing that Plaintiff had nothing to do with the failure of their investment, these businessmen threatened that if the Plaintiff would not give them a full refund of the money they invested, they would seek his criminal prosecution, seek to have the SEC investigate him, interfere with his current and prospective business relations, and "destroy" him and his reputation. Under this extreme duress, Plaintiff agreed to repay them in full.

3. When Plaintiff recently could not make a payment under this agreement, defendants reiterated these threats.

4. Plaintiff now seeks this Court's assistance to invalidate this extortionate agreement because he entered into it under duress and to enjoin Defendants from carrying through on their threats.

PARTIES

5. Plaintiff Mykalai Kontilai is a citizen of the State of Nevada. Kontilai is the Chairman of the Board and co-founder of Public Media, Inc., a Nevada corporation, doing business in marketing, advertising, and production. He also is the founder and CEO of Collector's Coffee, Inc., a Nevada corporation, which company's business is described in greater detail below. From 1994 to 2001, Kontilai owned and operated the largest volume instructional television ("ITV") distribution company in the world, Mykalai Kontilai Companies. MK Companies showcased and distributed over 10,000 ITV television programs to the educational television

industry and exclusively represented several leading producers in the ITV industry.

6. Defendant AJB Investments LLC ("AJB") is an Illinois limited liability company. AJB's managers are defendants Albert J. Bruno and Robert J. Bruno.

7. Defendant Albert J. Bruno ("Albert') is a citizen of the State of Illinois.

8. Defendant Robert J. Bruno ("Robert"), who is Albert's son, is a citizen of the State of Illinois.

JURISDICTION AND VENUE

9. This Court has jurisdiction over this dispute pursuant to 28 U.S.C. § 1332 because this is an action between citizens of different states and the amount in controversy exceeds the sum or value of $75,000.

10. Venue is proper in the District of Nevada, pursuant to 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to the claim occurred in the State of Nevada and a substantial part of property that is the subject of the action is situated in this judicial district.

FACTS

Marvee, LLC / Xyience, Inc.

11. In or about January, 2006, Russell Pike ("Pike"), the President of Xyience, Inc. ("Xyience"), a Nevada corporation, contacted Kontilai to discuss a potential business opportunity. At the time, Xyience was a start-up company that had secured significant marketing presence through its position as the exclusive energy drink sponsor of the mixed martial arts league, the Ultimate Fighting Championship ("UFC"). Pike approached Kontilai, *inter alia*, to seek Kontilai's aid in raising money for Xyience.

12. In or about early 2006, Kontilai discussed the Xyience investment opportunity with an acquaintance, who was a principal of a private equity firm in Chicago and

who also happened to be well aware of Xyience and the UFC. Due to Kontilai's efforts, the Chicago- based private equity firm invested approximately $23 million in Xyience in exchange for a substantial block of shares in Xyience.

13. In consideration for his efforts relating to the funding of Xyience, Kontilai was to receive two million shares of Xyience stock from the private equity firm.

14. For the purpose of holding his Xyience stock, Kontilai formed Marvee, LLC ("Marvee"), a Nevada limited liability company, of which he was sole and managing member.

15. On or about April 28, 2006, Marvee received the two million shares of Xyience stock that Kontilai earned in consideration for his efforts related to the funding of Xyience.

Collector's Coffee, Inc., d/b/a, Collector's Café.

16. Shortly after Marvee acquired ownership of the Xyience stock, Kontilai became engaged in the formation and development of his long-intended business model, which would ultimately become Collector's Coffee, Inc., d/b/a Collector's Café ("CCI").

17. CCI was originally formed as a California corporation on May 14, 2007 and is now a Nevada corporation, having been re-domesticated in Nevada, pursuant to merger, on February 22, 2008.

18. CCI is a "C" corporation, with Kontilai serving as President and CEO, Co-Founder, Gary L. Ferrell ("Ferrell") serving as Chairman, and two additional outside board members. The operations of CCI are controlled by duly executed and adopted By-Laws. The company currently has approximately 30 shareholders and is in the process of raising capital through a private offering.

19. CCI is simultaneously developing a retail coffee operation, encompassing both coffeehouses and mass retail components, and an auction based collectibles sales operation. The central distinguishing component of the CCI business plan is the marketing support the company will receive from a national – and shortly thereafter, global – primetime public television program called "*Collector's Café*."

20. Through his years of involvement with public broadcasting and programming, Kontilai recognized the opportunity to "brand" a retail business through a television series aired on the public broadcast system. He aligned with CCI Co-Founder, Ferrell – who previously operated one of the largest public broadcast stations in the U.S., and who continues to serve on the board of directors of American Public Television – and then embarked on the development of both the "*Collector's Café*" series, which is owned and produced by Public Media, Inc., and the CCI business plan.

21. Since the time that he conceived CCI, Kontilai has devoted the vast majority of his time and financial resources into the establishment, launch, and success of that business. To do so, Kontilai has leveraged and relied upon his extensive contacts and positive reputation in the television and other related industries. Moreover, CCI, primarily through the efforts of Kontilai, has assembled an experienced executive team, including the former COO of the country's second largest coffee company. During the last twelve (12) months, CCI has also been involved in the process of forming strategic relationships with some of the country's leading retail, franchise and collectibles auction companies.

The Marvee Sales

22. Because the formation and development of CCI required significant capital resources, and after having been approached about the potential sale of a portion of his interest in

Marvee, Kontilai elected to raise CCI start-up capital by offering for sale to third parties a portion of his Marvee membership interest.

23. Before selling membership interests in Marvee, all potential buyers executed Non-Disclosure Agreements ("NDAs"), which facilitated the disclosure of confidential information about Xyience. In these NDAs, the buyers affirmed that they were qualified and experienced in business activities related to those of Marvee. As is typical of such agreements, the NDAs also obligated the potential buyers to maintain the confidentiality of the information about Xyience that they obtained from Kontilai.

24. Marvee's sales of its membership interests to actual buyers were memorialized in a standard Purchase of Membership Interests and Contract Rights Under Operating Agreement (the "Purchase Contract"). In this Purchase Contract, every buyer warranted and represented: (a) to having had a full and fair opportunity to review Kontilai's agreements with Xyience independently and with counsel; (b) to being an "accredited investor" under the securities laws.

25. More critically, in this Purchase Contract, every buyer warranted and represented and warranted that (hereinafter, the "No Reliance Provision"):

> Buyer is aware that all investments involve a certain risk of loss of and up to the total amount of Buyers' investment. Buyer further represents and warrants that Buyer has had a reasonable opportunity to review this Agreement and other information relating to the Company and Xyience, Inc. Buyer has also been afforded an opportunity to ask questions of and receive answers from the Company, and all such questions, if any, have been answered to the full satisfaction of the Buyer. The Buyer further represents and warrants that Buyer has had the opportunity to review this Agreement with Buyer's own legal counsel or business or tax advisor. Buyer is relying solely on such counsel or business or tax advisor, if

any, and not on any statements or representations of the Company or any of its agents relative to entering into this Agreement and for lax or legal advice with respect to this investment or the transactions contemplated by this Agreement.

26. In the Purchase Contract, neither Kontilai nor Marvee made any warranties or representations regarding the financial condition or prospects of Xyience. Indeed, Kontilai had no independent knowledge about the financial condition or prospects of Xyience other than the information Xyience provided to him.

27. During the time period from October 2006 to July 2007, via Marvee, Kontilai sold to 58 buyers a total membership stake in Marvee of approximately 60%, which constituted the equivalent of approximately 1,200,000 shares of Xyience stock. This left Kontilai with an approximate 40% interest in Marvee, which constituted the equivalent of approximately 800,000 shares of Xyience stock.

28. While willing to sell a portion of his Xyience shares to fund his new CCI venture, Kontilai intentionally retained his substantial interest in Marvee because he believed, based upon information that Xyience had provided to him, that while risky, Xyience was a very promising investment.

29. Kontilai, directly or through his agents, informed the vast majority of the foregoing buyers that the primary motivating factor for the sale of a portion of his Marvee interest was to utilize the funds he earned for the development of CCI.

30. In fact, Kontilai invested the vast majority of the funds earned from the sale of membership interests in Marvee into his CCI venture.

31. The time period from August 2007 to the present, and in particular the later part of 2007 and early 2008, was a critical one for Kontilai and CCI. During this period, Kontilai

was actively soliciting investors, recruiting employees, business partners, and forming a board of directors.

AJB Investments and the Brunos

32. In or about October 2006, Kontilai was informed by a friend from Chicago, Saul Rodriguez, that defendant Robert Bruno was interested in exploring the possibility of acquiring an interest in Xyience via the purchase of a membership interest in Marvee.

33. In or about October and November 2006, Kontilai met with Robert on multiple occasions in Las Vegas, Nevada, during which he presented the details of the Marvee/Xyience investment opportunity. Kontilai and his counsel also engaged in telephone discussions, from Las Vegas, with Albert, during which Albert stated that he was concerned that this was a risky investment. Kontilai agreed, responding that this was a very high-risk investment, and urged the Brunos to go forward with the investment only if they were comfortable with it. Kontilai's statements of caution also were confirmed in written e-mail correspondence to the Brunos.

34. The Brunos executed the NDA that all other potential Marvee investors had executed, thereby affirming that the Brunos were qualified and experienced in business activities related to those of Marvee.

35. The Brunos then proceeded with extensive due diligence regarding the Xyience/Marvee investment. Not only did Robert himself investigate the investment, the Brunos' counsel and accountant were involved in the due diligence as well.

36. During the due diligence process, Kontilai directly and through his agents provided the Brunos and their advisors with extensive documentation about Xyience, including a PowerPoint presentation, existing agreements, financial estimates, and related marketing

materials.

37. Xyience had provided all of the foregoing materials to Kontilai directly or to his counsel, and Xyience had represented to Kontilai and his counsel that these materials were accurate and complete. Moreover, Kontilai informed the Brunos and their advisors that this was the case.

38. On or about December 14, 2006, the Brunos and other members of AJB acquired an interest in Marvee via defendant AJB by executing the same Purchase Contract other Marvee members executed. Under the Purchase Contract, for $1,119,598.00, AJB acquired a 9.33% membership interest in Marvee, which interest, calculated on a pro rata basis, constitutes the ownership of 186,593 shares of stock in Xyience.

39. In this Purchase Contract, AJB warranted and represented that it: (a) had a full and fair opportunity to review Kontilai's agreements with Xyience independently and with counsel; (b) to being an "accredited investor" under the securities laws.

40. AJB also agreed to the No Reliance Provision quoted above.

41. In the Purchase Contract, neither Kontilai nor Marvee made any warranties or representations to AJB regarding the financial condition or prospects of Xyience.

42. To the contrary, between the date that Kontilai first met the Brunos and the date they purchased their interest in Marvee via AJB, Kontilai advised them on multiple occasions, both orally and in writing, that the Xyience/Marvee investment was risky and that there were no guarantees that it would succeed.

43. Every time the Brunos expressed doubts about moving forward with the investment, Kontilai urged them not to enter into a transaction about which they felt any level of discomfort.

44. Kontilai gave the Brunos foregoing warnings of risk even though there was no need to do so. The Brunos were and represented to Kontilai that they were sophisticated business people with significant investment experience – that is, individuals who knew and had reason to know that investment a start-up venture such as Xyience was inherently risky.

45. Throughout the time that Kontilai and the Brunos discussed the Xyience/Marvee investment, Kontilai had no independent knowledge regarding the financial condition or prospects of Xyience. His knowledge was based upon the information Xyience provided to him and his counsel, which information Kontilai then forwarded to the Brunos and their advisors in response to due diligence inquiries.

46. If at the time that Kontilai was in discussions with the Brunos there were material, nonpublic financial or other problems at Xyience, Kontilai was unaware of them and thus necessarily could not and did not disclose such problems to the Brunos (and the other buyers of interests in Marvee). Indeed, although risky, Kontilai believed that his stake in Xyience was a promising investment and thus intentionally did not sell a significant portion of the shares he had acquired in Xyience.

47. Kontilai invested substantially all of the approximately $1.1 million he earned from the sale of the 9.33% membership interest in Marvee to AJB into CCI.

The Duress.

48. In or about early 2007, Robert informed Kontilai in a series of emails, and in telephone discussions with Kontilai's counsel, Robert K. Sparks ("Sparks"), that an Internet website was publishing adverse reports about Xyience. Robert recounted that the website alleged, *inter alia*, that: (a) Xyience's president, Pike, had been convicted of at least one crime and was the subject of various lawsuits; (b) the SEC was investigating Xyience; (c) Xyience was the

subject or would be the subject of various lawsuits; and (d) Xyience was having financial problems.

49. Despite being aware of the information he read on the website, Robert engaged in efforts to market the Marvee/Xyience investment to others.

50. In late 2007, Robert informed Kontilai, and Kontilai became aware through other sources, about news reports that Xyience may face bankruptcy.

51. Immediately thereafter, the Brunos and AJB began a campaign of threats and intimidation designed to force Kontilai to refund to them the approximately $1.1 million they paid via AJB for the 9.33% membership interest in Marvee.

52. In or about January 2008, Xyience filed for bankruptcy under Chapter 11, which as would be expected had a significant adverse effect upon the value of Xyience's stock. Kontilai personally lost the equivalent value of his remaining Marvee membership interest, which represented in excess of 800,000 shares of Xyience stock

53. In multiple exchanges, defendants accused Kontilai of having misled them about the Xyience/Marvee investment by failing to disclose material adverse information about Xyience to them, including, most significantly, the financial condition of Xyience at the time of the AJB purchase of its Marvee interest. They did so even though they expressly had disclaimed reliance upon anyone other than their own advisors and presented Kontilai with no proof that Kontilai knew or had reason to know of adverse facts beyond those disclosed prior to the AJB purchase.

54. Indeed, Kontilai did not disclose these adverse facts to the Brunos for the simple reason that he was unaware of those facts, and he told this to the Brunos.

55. Nevertheless, defendants persisted with their threats and baseless

accusations regarding Kontilai's alleged malfeasance.

The Face-to-Face Threats.

56. On or about the last week of November 2007, in a good faith effort to address defendants' concerns, Kontilai's attorney, Robert K. Sparks ("Sparks"), flew to Chicago and met with Albert, Robert, and Rodriguez, the friend of the Brunos who had helped facilitate the Marvee-AJB transaction.

57. Kontilai caused Sparks to go to this meeting despite the fact that he: (a) was free of any continuing obligation and/or liability to AJB as arising from the AJB purchase of the interest in Marvee; and (b) himself had suffered as significant loss as a result of Xyience's demise.

58. At this meeting, Albert claimed that Kontilai "stole our money, and lied to us." Albert then threatened to sue Kontilai to recover the AJB investment regardless of the cost of such litigation

59. Also at that meeting, Sparks informed Robert and Albert that, solely as a good faith gesture, due to the fact that the vast majority of Marvee members are acquaintances of Kontilai and close friends and/or family of Sparks, Kontilai was in the process of transferring a matching number of shares of CCI stock to Marvee – thus protecting Marvee members from having lost money invested as a result of the Xyience bankruptcy.

60. Upon being informed of Kontilai's offer to replace their interest in a defunct Xyience with an interest in CCI, Albert and Robert summarily dismissed the offer and stated that repayment of the AJB investment was the only act which would prevent the undertaking of their threatened actions.

61. On or about February 13, 2008, in specific response to Robert's threat that

if the matter was not resolved by the end of February 2008, he would seek a criminal prosecution of Kontilai and would commence a civil action (during which he would demand deposition testimony from all Marvee members), Sparks again flew to Chicago and met with Robert and AJB's counsel.

62. At this meeting, Robert continually stated that Kontilai had lied to the Brunos and was a "crook." Then Robert threatened to contact other Marvee investors and the Securities and Exchange Commission to inform them of Kontilai's alleged malfeasance.

63. Robert also threatened substantially as follows:

> We want our money back. We will get our money back. If we don't get our money back, I'll go to the U.S. Attorney, with whom I already have talked, and I will see to it that I destroy Mykalai. Mykalai will never do business with anyone if I can help it. This coffee company [CCI] will never go public and Mykalai will never be able to do anything with that company again.

64. In response, Sparks told Robert that, not only was Robert threatening to harm Kontilai, but also to harm all other members of Marvee, in that they would all become CCI shareholders once the intended transaction was complete.

65. Robert continually responded that he did not care about the interests of any other Marvee members, that he intended to contact each of the Marvee members to inform them of his opinions as to Kontilai, that he wanted the money paid by AJB to be repaid immediately and that if the money is not repaid, he will do everything in his power to destroy Kontilai and his business relationships.

66. Sparks responded that if Robert would contact other Marvee members for that ill-intended purpose, Kontilai would be forced to defend himself by bringing suit against Robert, Albert and AJB.

67. Moreover, Sparks stated to Robert and his counsel that, should the Brunos and AJB act upon their threats, there would need to be an immediate meeting of all Marvee members so that the potential effect of those actions on the interest of all members could be discussed.

68. Robert's attorney then inquired as to what sort of claims Kontilai could bring. Sparks informed him that, at a minimum, Robert's contacting of Marvee members and individuals and entities involved with the development of CCI would constitute tortious interference with the business relations of Kontilai and CCI.

69. Thus, Robert knew and had reason to know that if he would in fact contact other Marvee investors or parties doing business with CCI, it could constitute a tort. This did not deter the Brunos from making further threats.

70. Sparks conveyed all of these threats to Kontilai, and informed Kontilai that he believed that the Brunos would carry through these threats. Kontilai likewise believed that the Brunos would act on these threats.

The Multiple Telephonic Threats.

71. During the approximate time period between December 2007 and execution of a Settlement Agreement on April 4, 2008, in multiple telephone conversations, Robert told Sparks that Robert was "going to the U.S. Attorney, and had already talked with them" about Kontilai. Robert also told Sparks that he would seek Kontilai's "prosecution." Robert said that Kontilai "will go to prison" and that Robert would "see to it that he goes to" prison.

72. In addition threats of criminal prosecution, in multiple conversations with Sparks, Robert repeatedly threatened to interfere with Kontilai's business relations with CCI and Marvee.

73. Robert threatened to destroy Kontilai's name so that he would be unable to pursue his coffee and collectibles business, CCI. He also threatened to contact the directors of CCI to tell them about Kontilai's alleged misconduct, noting specifically that he had the ability to make contact with one of the more notable directors – a former baseball star.

74. As explained in paragraph 31,above, the time period during which defendants engaged in their campaign of intimidation was a critical one for Kontilai and CCI. Defendants knew and had reason to know that this was the case. This is because in presenting defendants with the offer of an interest in CCI to replace their interest in Xyience, Sparks provided defendants with information about the CCI venture and its prospects. Defendants thus knew and had reason to know that their threats – even if baseless – could and would harm Kontilai and CCI.

75. Furthermore, Robert said that he would contact every member of Marvee to tell them about Kontilai's alleged misconduct and to initiate a revolt against Kontilai.

76. At the time Robert made these threats, Kontilai was in the process of negotiating agreements with the other Marvee members to replace their indirect ownership in Xyience with indirect ownership in CCI, not from obligation, but in a good faith effort to preserve and protect the personal relationships which existed between Kontilai, Sparks and the investors. As explained above, Kontilai had made the same offer to the defendants, but defendants rejected it. Instead, Robert and the other defendants opted to threaten to interfere with Kontilai's prospective contracts with the other members of Marvee, and to strong-arm Kontilai into refunding their full investment in Marvee.

77. Virtually every member of Marvee, other than defendants, agreed to Kontilai's offer to replace their indirect interest in Xyience stock with an indirect interest in CCI stock. These members also released Kontilai and Marvee from all claims related to Marvee or

Xyience.

78. Again, Sparks conveyed all of these telephonic threats to Kontilai, and informed Kontilai that he believed that the Brunos would carry through these threats. Kontilai believed that the Brunos would act on these threats.

The Threats Via Third Parties.

79. Business associates of the Brunos also informed Kontilai and Sparks of the Brunos threats.

80. One such business associate, Rodriguez, recounted to both Kontilai and Sparks, Robert's threat that "if he [Kontilai] doesn't pay the money back, I'll destroy him. I have friends at the [Chicago] Tribune. I will have him thrown in jail."

81. Another business associate, Joe Pennacchio, conveyed to both Kontilai and Sparks, Robert's threats to "destroy" Kontilai, "put him in jail," and "if he comes to town, I'll kick the living crap out of" Kontilai.

82. Sparks and Kontilai believed that the Brunos would act upon the threats that the foregoing third parties recounted to Kontilai and Sparks.

Kontilai Executes the Settlement Agreement Under Extreme Duress.

83. Robert and Albert dictated the terms of a settlement agreement by using the threats detailed in the preceding paragraphs including threats to ruin Kontilai's reputation via contacts with the media, Internet, and Kontilai's business associates, threats to interfere with CCI, Marvee, and Kontilai's agreements to provide Marvee members with shares in CCI, and threats to instigate criminal and regulatory proceedings against Kontilai.

84. Believing that Robert and Albert would make good on their threats, Kontilai agreed under duress to refund, in full, the money invested by Robert, Albert, and other members

of AJB.

85. The terms of the Settlement Agreement demonstrate the real and omnipresent threat Robert and Albert posed. According to the terms of the Settlement Agreement, Robert and Albert agreed not to "disparage" Kontilai, but only so long as he paid them the money.

86. Defendants forced Kontilai to agree that if he ever defaulted on the Settlement Agreement, they could "disparage" him at will. Specifically, the agreement provides in Paragraph 6 entitled "Non-disclosure and Non-disparagement" that

> The parties hereto agree, warrant, and represent that they will not make or publish in any way to anyone any disparaging remarks or statements about the parties hereto with respect to the terms of this agreement or the disputes that are being resolved hereby, except as required by law or compulsion of the court, including subpoena. However, in the event of a breach of this agreement by any party it is expressly understood that the non-disparagement provisions contained in this paragraph are released as to the non-breaching party (only) and the non-breaching party hereto is free to disclose to third persons any and all facts, disparaging or otherwise about the other . . . .

87. Also as part of the Settlement Agreement, Robert and Albert agreed not to instigate any spurious criminal or regulatory proceedings, but again, only so long as Kontilai paid them the money. Specifically, the Settlement Agreement provides that

> AJB and each of its Members and Managers on their own behalf of their respective agents, representatives, attorneys, and family members, warrant and affirm that, provided that Kontilai fully complies with all terms and conditions of the Agreement . . . they will not contacted any third-party, including but not limited to governmental or administrative agencies or enforcement bodies, for the purpose of commencing or otherwise prompting investigation or other action relative to the subject matter herein.

88. Thus, defendants forced Kontilai to consent to defendants' (a) tortious interference with his actual and prospective business relations and contracts, (b) disparagement and defamation of his name, character, and reputation, and (c) contacts with criminal and regulatory authorities, if he did not agree to and comply with the terms of the Settlement Agreement.

The Duress Continues to this Day.

89. Because Kontilai was under duress, the first payment due under the Settlement Agreement was made on or about April 8, 2008.

90. Under the Settlement Agreement a second payment for $306,532.00 was due on August 8, 2008.

91. Recognizing several weeks prior to the due date that it was unlikely he would have funds available to timely make this second payment, Kontilai caused Sparks to contact AJB via Robert. In so doing, Kontilai wanted to avoid the defendants carrying through on their threats.

92. On or about the week of July 21, 2008, Sparks informed Robert of Kontilai's likely inability to make this second payment on or before August 8, 2008, and proposed an alternative payment schedule. Robert summarily rejected the proposal and renewed his prior threats by informing Sparks that: (a) there would be no negotiation or extension and if the money was not paid on time; (b) he would contact the U.S. Attorney; and (c) he would initiate a civil action to seek enforcement of the Settlement Agreement.

93. On August 12, 2008, Sparks returned from a family vacation and returned a voicemail message from Robert. During that conversation, Robert inquired as to why the payment had not been made and Sparks again informed Robert that Kontilai simply does not have the funds

available.

94. Robert responded to Sparks by renewing his threats and continuing the duress. Robert stated that he would forward an e-mail setting forth terms that would be acceptable to AJB and emphasized that if Kontilai and AJB were unable to reach an agreement on terms of payment in the immediate future, he intended to contact the U.S. Attorney to seek the criminal prosecution of Mr. Kontilai and to commence a civil action against Kontilai.

95. Kontilai, via an e-mail to Sparks, received the proposal from AJB/Bruno, the terms of which were unreasonable, onerous, and punitive.

96. In a final, desperate effort to protect his good name and the interests of the members of Marvee and the shareholders of CCI, Kontilai subsequently retained counsel to attempt to further engage AJB in dialogue to resolve the dispute. Thereafter, extensive negotiation ensued. However, the demands of AJB remained overly burdensome and onerous. Discussions ultimately ceased.

97. Although Kontilai continues to feel extreme pressure to comply with the terms of the Settlement Agreement, he has decided to seek this Court's protection. He decided to stand up to defendants' bullying even though he knows that it may have dire consequences that cannot be fixed with time or money if Defendants decide to make good on their threats to "destroy" him and his business and to seek his criminal prosecution.

FIRST CLAIM FOR RELIEF – RECISSION

1. Kontilai incorporates all of the preceding allegations in his Complaint into this First Claim for Relief.

2. Kontilai executed the Settlement Agreement with Defendants under duress sufficient to deprive him of the exercise of his own free will.

3. The wrongful threats of Defendants caused and have continued to cause Kontilai's duress.

4. Specifically, the following threats individually and in conjunction with one another caused and continue to cause Kontilai's duress:

(a) Threats to instigate criminal prosecution.

(b) Threats to instigate regulatory investigations by the SEC.

(c) Threats to "destroy" Kontilai's financial reputation.

(d) Threats to "destroy" and to interfere with Kontilai's business interests.

5. Kontilai is entitled to rescind the Settlement Agreement because a contract such as the Settlement Agreement is voidable because it is the product of duress.

6. The parties can be returned to their positions that existed before the Settlement Agreement was signed. First, Kontilai received no consideration under the Settlement Agreement other than the release. With the Settlement Agreement rescinded, the defendants will no longer be bound by the release. Second, Kontilai paid the defendants an initial payment under the Settlement Agreement on or about April 4, 2008. With the Settlement Agreement rescinded, that payment should be returned to Kontilai.

7. According to the terms of the Settlement Agreement, the defendants retained their interest in Marvee until such time as Kontilai returned the full amount of their original investment. As the defendants still have their full interest in Marvee, upon rescission, Defendants will be in the same position they were in before the Settlement Agreement was executed.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Mykalai Kontilai demands judgment as follows:

1. Rescission of the Settlement Agreement;

2. A refund of the monies Kontilai already has paid under the Settlement Agreement, including prejudgment interest;

3. A temporary restraining order, preliminary injunction, and permanent injunction barring defendants from: (a) publishing or disseminating information, disparaging or otherwise, about Kontilai in the media, Internet, press, or via contacts with third parties; (b) contacting any employees, agents, officers, or directors of Collector's Coffee, Inc. or Public Media, Inc.; (c) contacting other members of Marvee or their agents and employees; and (d) contacting any government authority or body (local, state, or federal) with respect to Kontilai, Marvee, Collector's Coffee, Inc., or Public Media, Inc.;

4. An award of attorneys' fees and costs associated with this action; and

5. An award of such other relief that this Court may deem just and proper.

Dated: July 28, 2009

PLAINTIFF MYKALAI KONTILAI

By: ______________________ 7-28-09

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

State of California)
County of San Diego)

Subscribed and sworn to (or affirmed) before me on this 28th day of July (month), 2009 (year), by ______, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Mykalai Kontilai

______________ (Signature of Notary)

OFFICIAL SEAL
RAMONA KHYROLOMOOR
NOTARY PUBLIC-CALIFORNIA
COMM. NO. 1697590
SAN DIEGO COUNTY
MY COMM. EXP. OCT. 31, 2010

Attachment 1

JS 44 (Rev. 12/07)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS
Mykalai Kontilai, 6593 Chimes Tower Ave., Las Vegas, NV 89139

(b) County of Residence of First Listed Plaintiff: Clark
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number)
N/A

DEFENDANTS
AJB Investments, LLC, Albert J. Bruno and Robert J. Bruno, 4701 N. Cumberland Ave., Suite 29, Norridge, IL 60706

County of Residence of First Listed Defendant: Cook (Illinois)
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant) (For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☒ 1	☐ 1	Incorporated or Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☒ 2	Incorporated and Principal Place of Business In Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excl. Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☒ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury

PERSONAL INJURY
- ☐ 362 Personal Injury - Med. Malpractice
- ☐ 365 Personal Injury - Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 444 Welfare
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 440 Other Civil Rights

PRISONER PETITIONS
- ☐ 510 Motions to Vacate Sentence
- Habeas Corpus:
- ☐ 530 General
- ☐ 535 Death Penalty
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition

FORFEITURE/PENALTY
- ☐ 610 Agriculture
- ☐ 620 Other Food & Drug
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 630 Liquor Laws
- ☐ 640 R.R. & Truck
- ☐ 650 Airline Regs.
- ☐ 660 Occupational Safety/Health
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt. Relations
- ☐ 730 Labor/Mgmt.Reporting & Disclosure Act
- ☐ 740 Railway Labor Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Empl. Ret. Inc. Security Act

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 463 Habeas Corpus - Alien Detainee
- ☐ 465 Other Immigration Actions

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 810 Selective Service
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 875 Customer Challenge 12 USC 3410
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 892 Economic Stabilization Act
- ☐ 893 Environmental Matters
- ☐ 894 Energy Allocation Act
- ☐ 895 Freedom of Information Act
- ☐ 900Appeal of Fee Determination Under Equal Access to Justice
- ☐ 950 Constitutionality of State Statutes

V. ORIGIN (Place an "X" in One Box Only)

☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation ☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. Section 1332
Brief description of cause:
Recission of Agreement / Injunctive Relief

VII. REQUESTED IN COMPLAINT: ☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23
DEMAND $
CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE N/A DOCKET NUMBER

DATE 7-28-09 SIGNATURE OF ATTORNEY OF RECORD [signature]

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

Attachment 2

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

MYKALAI KONTILAI, Plaintiff, v. AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO Defendants,	)	Case No. ______________

VERIFICATION

I, MYKALAI KONTILAI, am the plaintiff in the above-captioned action. Except for those facts alleged upon information and belief, I have personal knowledge of the facts stated in the foregoing Verified Complaint for Injunctive and Other Relief and swear under penalty of perjury such facts are true and correct. With respect to those facts in the foregoing Verified Complaint for Injunctive and Other Relief alleged upon information and belief, I hereby verify that the statements are true and correct to the best of my knowledge, information, and belief.

[signature] 7-28-09

MYKALAI KONTILAI

State: CA
County: San Diego

Subscribed and sworn before me this 28TH day of July, 2009 BY: Mykalai Kontilai who personally appeared and proved to me

[signature]
Notary Public

OFFICIAL SEAL
RAMONA KHYROLOMOOR
NOTARY PUBLIC-CALIFORNIA
COMM. NO. 1697590
SAN DIEGO COUNTY
MY COMM. EXP. OCT. 31, 2010

Attachment 3

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

MYKALAI KONTILAI, Plaintiff, v. AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO Defendants,	)	Case No. ____________

SUMMONS IN A CIVIL ACTION

To: AJB INVESTMENTS, LLC
4701 N. Cumberland Ave., Suite 29
Norridge, IL 60706

A lawsuit has been filed against you.

Within 20 days after service of this summons on you (not counting the day you received it) - or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) - you must serve on the plaintiff an

answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: ____________________

____
Signature of Clerk or Deputy Clerk

Attachment 4

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

MYKALAI KONTILAI, Plaintiff, v. AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO Defendants,	Case No. ________________

SUMMONS IN A CIVIL ACTION

To: ALBERT J. BRUNO
4701 N. Cumberland Ave., Suite 29
Norridge, IL 60706

A lawsuit has been filed against you.

Within 20 days after service of this summons on you (not counting the day you received it) - or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) - you must serve on the plaintiff an

answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: ____________________

____
Signature of Clerk or Deputy Clerk

Attachment 5

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

MYKALAI KONTILAI, Plaintiff, v. AJB INVESTMENTS LLC, ALBERT J. BRUNO, and ROBERT J. BRUNO Defendants,	Case No. ______________

SUMMONS IN A CIVIL ACTION

To: ROBERT J. BRUNO
4701 N. Cumberland Ave., Suite 29
Norridge, IL 60706

A lawsuit has been filed against you.

Within 20 days after service of this summons on you (not counting the day you received it) - or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) - you must serve on the plaintiff an

answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

MYKALAI KONTILAI
6593 Chimes Tower Avenue
Las Vegas, Nevada 89139
(858) 459-5282
Plaintiff In Pro Se

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: ____________________

____
Signature of Clerk or Deputy Clerk